

Q3 FY2023 Trading Update

Ava Risk Group Limited (ASX: AVA) (“Ava Risk Group” or “the Company”) is pleased to provide the following update on its Q3 FY2023 trading performance:

- Record quarterly confirmed sales orders of **\$8.7 million**.
- Year to date confirmed sales orders of **\$23.1 million**, up 84% compared to the prior year, and up 46% excluding Illuminate segment orders from GJD (acquired in August 2022).
- Confirmed sales order backlog of \$3.8 million expected to be predominantly fulfilled during Q4 FY2023.
- Launch of new Aura Ai-X fibre sensing technology, the Company’s latest generation, data driven intrusion detection system, integral to securing a US\$1.5 million contract to protect a critical European border.
- FY2023 revenue guidance of \$27.6 million to \$29.6 million based on current confirmed orders and expected performance in Q4.

Ava Group CEO Mal Maginnis commented: “It is pleasing to see the momentum that the Company is generating. Since joining Ava Risk Group in January, I have focussed on strengthening our global sales capability across all business segments. This has resulted in the record sales order intake during Q3 and we are well placed to continue to grow through Q4 and into FY2024. I am also pleased to see the positive market response to the launch of the Aura Ai-X fibre sensing technology. We believe this is the most advanced perimeter intrusion detection system on the market and will become the solution of choice for the protection of critical infrastructure worldwide.”

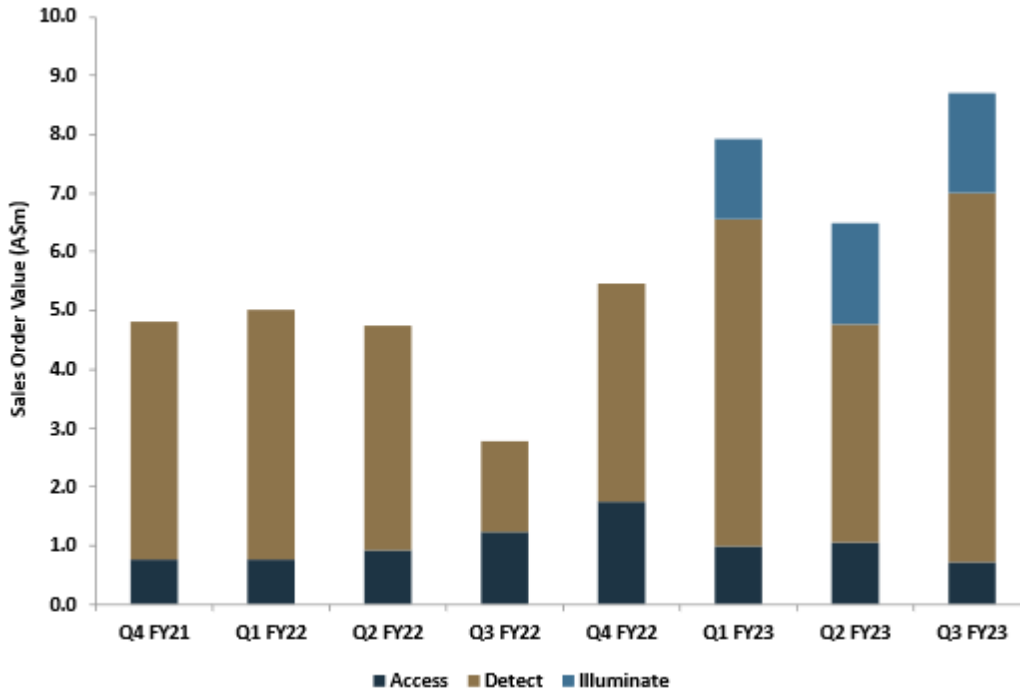
Q3 FY2023 confirmed sales orders

The Company received record sales order intake of \$8.7 million during the quarter, resulting in year to date sales order intake of \$23.1 million, up 84% on the prior comparative period. Significant growth was recorded in the Detect segment highlighting the launch of the Aura Ai-X fibre detection system and continued investment in our global sales capability. Key highlights from third quarter sales orders include:

- Significant contract win for the deployment of Aura Ai-X to protect a critical European border – total contract value of US\$1.5 million including a five year commitment to supply software upgrades and support;
- Total order intake for the Detect segment during Q3 of \$6.4 million, up 68% on the orders received during Q2, with growth in the Company’s key geographic markets.
- Consistent performance of the Illuminate segment delivering order intake of \$1.7 million, despite a slowdown in domestic orders in the United Kingdom.
- Confirmed orders in the Access segment declined slightly from the previous quarter, reflecting the timing of orders from a major distributor. We remain confident in the strength of the distribution contracts supporting the Access segment and expect to see growth in Q4 and into FY2024.

As at the end of March 2023, Ava carried an order backlog of \$3.8 million which represents sales orders received that are still to be fulfilled. It is anticipated that most of these orders will be fulfilled during Q4 FY2023.

Chart 1 – Sales Order Intake



Outlook

Management provides full year revenue guidance for FY2023 in the range of **\$27.6 million to \$29.6 million**. The forecast range is based on the existing sales order backlog and expected performance during Q4. Attainment of forecast revenue is contingent on customer timing for both the placement and fulfilment of orders.

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Approved for release by the Board of Directors.

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About Ava Risk Group

Ava Risk Group is a global leader in providing technologies and services to protect critical and high value assets and infrastructure. It operates three business segments – Future Fibre Technology (FFT), BQT Solutions (BQT) and GJD Manufacturing (GJD). FFT manufactures and markets ‘smart’ fibre optic sensing systems for security and condition monitoring for a range of applications including perimeters, pipelines, conveyors, power cables and data networks. BQT is a specialist in the development, manufacture and supply of high security biometric readers, security access control and electronic locking products. GJD is a specialist in the development and manufacture of perimeter detectors, illuminators, and ANPR cameras. Ava Risk Group products and services are trusted by some of the most security conscious commercial, industrial, military and government clients in the world. www.avariskgroup.com
